

CONN KAVANAUGH ROSENTHAL PEISCH & FORD, LLP

C O U N S E L O R S A T L A W

Ten Post Office Square, Boston, Massachusetts 02109

Tel: (617) 482-8200

Fax: (617) 482-6444

WRITER'S DIRECT DIAL: 617-348-8204

E-MAIL: TPEISCH@CKRPF.COM

January 18, 2005

THOMAS E. PEISCH
BOB B. ROSENTHAL
JAMES F. KAVANAUGH, JR.
RUSSELL F. CONN
GEORGE M. FORD
JAMES B. PELOQUIN
BARRY E. GOLD
THOMAS J. GALLITANO
JAMES GRAY WAGNER
ERIN K. HIGGINS
STEVEN E. GURDIN
MICHAEL T. SULLIVAN
CONSTANCE M. MCGRANE

KURT B. FLIEGAUF
RONALD M. JACOBS
CAROL A. STARKEY
JENNIFER M. NORTON
SARA L. GOODMAN
MICHAEL R. BERNARDO
CARA A. FAUCI
JOHANNA L. MATLOFF
AMY C. STEWART
BETH NUZZO NEWMARK
SARAH E. WEBER

BY HAND

The Honorable Morris E. Lasker
U.S. District Court for the
District of Massachusetts
John Joseph Moakley United States Courthouse
One Courthouse Way
Boston, Massachusetts 02210

RE: Casas, Benjamin & White LLC v. The Pointe Group, Inc.,
et al.
Civil Action No. 04-12333-MEL

Dear Judge Lasker:

Thank you for the opportunity to reply to Mr. Gordon's
January 13th letter.

As the Court is aware, we have not yet had an opportunity to take sworn testimony from Messrs. Gerald and Barry Freid, or other family members who may have benefited from the sale of the facilities at issue. At this point in the case, we must rely on the documentation provided to Casas, Benjamin & White, LLC ("CBW") by The Pointe Group, Inc. ("TPG") and the Freids in the early stages of CBW's engagement. That documentation, which is attached at Tab B to Mr. Caine's affidavit, indicated that in 2003, each of the Freid siblings, including Barry Freid and Gerald Freid, held a 7.5% ownership interest in the companies that owned the three facilities and in the "operating companies" that leased the facilities. CBW reports to us that it utilized this information in connection with CBW's efforts to locate a buyer or new lender for the businesses, with the full knowledge of the Freids, with no effort made by either Freid to disavow any ownership interest in the businesses.

The Honorable Morris E. Lasker
January 18, 2005
Page 2

Further, after Mr. Gordon raised the "ownership" issue at the January 12th hearing on CBW's motion for injunctive relief, CBW conducted a further search of its files and located the attached statement of TPG's payroll, another document provided to CBW by TPG, which identifies each of the Freid siblings as an "owner/director." Again, this written documentation is inconsistent with the information contained in Mr. Gordon's January 13th letter, which stated that neither Gerald Freid nor Barry Freid "now has or ever had any ownership interest in The Pointe Group, Inc."

Finally, we must correct Mr. Gordon's assertion in his January 13th letter that CBW "alleged" an ownership interest by the Freids in any of the entities at issue. There is no such allegation in CBW's complaint, or in its motion papers, as the Freids' ownership interest in the assets is not an element of the claims brought against the Freids - i.e., that the Freids personally made fraudulent representations and false promises to CBW, that the Freids personally participated in a conspiracy to deprive CBW of its fee, and aided and abetted in bringing about that result, that the Freids personally participated in unfair and deceptive trade practices, and that the Freids were unjustly enriched at CBW's expense because they received and retained proceeds from the sale of the facilities. CBW continues to maintain that it has demonstrated its likelihood of success on those claims, and that the defendants, aside from the "red herring" of ownership thrown up by Mr. Gordon at the January 12th hearing, have not rebutted the facts entitling CBW to injunctive relief and to attachments on the defendants' real estate.

I look forward to further discussion of these issues with the Court on Wednesday.

Respectfully,

Thomas E. Peisch

TEP/mah/1915-000

Enclosures

cc: Stephen F. Gordon, Esq. (by e-mail and mail) (w/enc.)
W. Scott O'Connell, Esq. (by e-mail and mail) (w/enc.)
Richard P. Steinken, Esq. (by e-mail and mail) (w/enc.)
Erin K. Higgins, Esq. (w/o enc.)